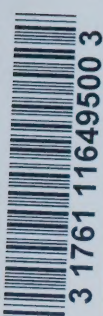


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# REVIEW OF ECONOMIC TRENDS



ONTARIO

*Prepared By The*  
ONTARIO DEPARTMENT OF ECONOMICS  
AND  
DEVELOPMENT

Vol. 3, No. 10.

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ONTARIO DEPARTMENT OF ECONOMICS  
AND DEVELOPMENT




STUDENT JOURNAL OF THE UNIVERSITY OF TORONTO



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## SUMMARY

The resurgence of economic activity which started in the second quarter of the year is continuing into the fourth quarter in both Ontario and Canada. Most sectors have held up well this year and the early signs of a downturn appear to have been false alarms. The leading economic indicators are still showing mixed trends so that no definite pattern can be established but the year has been much better than was anticipated earlier.

In September 7 of the 12 leading economic indicators were down from August but in October some of these had again risen and six of the nine available for October were up.

The buoyant economy is reflected in the level of industrial production. Total volume continued to rise throughout the year and in September the seasonally adjusted index of production had reached 189.3 up 4.8 per cent from December 1961. Most sectors have contributed to the rise although the chief strength has been in durable goods manufacturing and in production of petroleum and natural gas. The very high levels of production of primary iron and steel, motor vehicles and machinery have given particular strength to the Ontario economy. Metal mining increased during the early months of 1962 but levelled off in June and by September the index was back down to about the January level. Production of natural gas and petroleum has continued to rise and in September the seasonally adjusted index of petroleum production was at an all-time high.

Electric power and gas production was stable during the early months of this year. However, during the second quarter power and gas consumption began to reflect the high level of production in manufacturing and by August the total was more than four per cent higher than the first quarter average.

New orders in manufacturing have held up well during the year and there has been no unbridled build-up of inventories, hence the outlook for manufacturing continues bright. New construction has been reasonably strong throughout 1962. There appeared to be some levelling off during the summer as new contracts were slower at mid-year but there has been a sharp upturn in contracts awarded in Canada in the





fourth quarter. Housing starts are expected to be higher than last year and institutional building has been very strong this year. While construction in Ontario has been better than last year throughout the year, this Province did not share in the sharp rise in contracts awarded in the fourth quarter.

Business failures were high this year in both Ontario and Canada in view of the strength of the economy. However, they have been declining in value of liabilities since August and there was a drop in the number of failures in October. Totals in both number and value of liabilities are still high for an expanding economy.

Cheques cashed dropped, on a seasonally adjusted basis, between July and August. In Canada as a whole the total in August was below the average for this year but in Ontario was still well up from first quarter totals.

Employment in both Canada and Ontario is well up from last year, and unemployment has reached the lowest levels since 1959. However, the seasonally adjusted data indicates that employment has been stable since early summer in Ontario and that there has been a slight downtrend in Canada since mid-summer. A slight downtrend in the labour force, seasonally adjusted, has resulted in a continuing decline in the unemployment trend. Labour income is continuing to rise because of the high levels of employment in high wage industries and moderate rises in wage rates. Dividend payments are also continuing to climb so that personal incomes are steadily rising.

The trend of retail sales is down from July to September in both Ontario and Canada but they are still well up from last year. Prices are continuing to climb and in October were about 1.8 per cent higher than in October 1961.

The effects of the dollar devaluation and the surcharges are beginning to make themselves felt in foreign trade. Imports continued to increase during the third quarter but in an upward cycle this is to be expected. Our exports to the United States rose substantially in the third quarter and while total exports did not show the sharp climb exhibited by imports, this was largely because of the huge wheat sales to Communist China in the early part of the year.





Although economic conditions in the United States are rather more favourable than they were a month or two ago, actual growth pressures are still not strong enough to exert much influence on the Canadian and Ontario economies at this time.





ECONOMIC INDICATORS - SEASONALLY ADJUSTEDI. Leading Indicators

<u>Average Weekly Hours Worked in Manufacturing</u>			<u>Industrial Stock Index T.S.E.</u>  1934=100	<u>Business Failures</u>				
<u>Ontario</u>	<u>Canada</u>	<u>Number</u>		<u>Liabilities</u>				
		<u>Ontario</u>		<u>Canada</u>	<u>Ontario</u>	<u>Canada</u>		
							\$'000	
1959	40.6	40.7	528.37	586	1,483	34,399	74,657	
1960	40.3	40.4	494.69	784	1,901	121,527	180,327	
1961	40.5	40.6	583.54	815	2,028	51,036	115,778	
1960	Jan.	40.4	40.6	512.91	52	142	5,324	9,771
	Feb.	40.1	40.3	499.60	56	145	22,674	30,740
	Mar.	40.2	40.4	493.22	61	155	7,817	10,249
	Apr.	40.2	40.3	486.24	68	143	5,811	12,157
	May	40.0	39.9	488.92	76	150	4,173	10,209
	June	40.1	40.2	480.31	59	139	4,948	10,888
	July	40.3	40.5	463.68	58	144	3,175	7,267
	Aug.	40.3	40.3	491.78	66	196	5,150	11,410
	Sept.	40.3	40.4	490.43	86	173	7,768	11,942
	Oct.	40.1	40.2	497.38	66	159	4,850	11,250
	Nov.	40.1	40.2	508.24	67	173	4,143	11,364
	Dec.	40.0	40.1	524.63	77	188	7,678	13,882
1961	Jan.	39.9	40.0	543.55	75	161	3,211	7,798
	Feb.	40.3	40.3	555.75	54	188	1,197	3,759
	Mar.	40.0	40.2	557.81	53	142	4,359	10,583
	Apr.	40.1	40.4	577.15	83	166	5,763	16,718
	May	40.3	40.3	569.60	70	175	6,333	10,682
	June	40.5	40.8	579.28	110	225	5,408	9,399
	July	40.4	40.5	577.05	69	183	9,092	16,926
	Aug.	40.8	40.7	587.30	74	153	11,671	12,933
	Sept.	40.9	40.8	603.38	89	177	4,342	8,287
	Oct.	40.8	40.7	611.03	63	184	5,161	13,370
	Nov.	40.7	40.7	620.61	55	157	4,884	11,657
	Dec.	40.6	40.5	617.55	42	126	3,134	7,377
1962	Jan.	40.5	40.5	608.97	97	193	4,077	8,473
	Feb.	40.7	40.7	618.93	57	161	961	3,061
	Mar.	40.9	40.9	621.77	63	149	4,546	6,547
	Apr.	40.5	40.4	608.95	89	188	4,640	12,272
	May	41.0	40.8	555.37	88	187	7,758	13,687
	June	40.9	40.9	523.84	95	169	7,368	12,833
	July	40.9	40.9	527.48	82	180	4,402	9,037
	Aug.	40.9	40.8	543.67	84	193	10,403	15,560
	Sept.			538.89	97	223	7,953	15,045
	Oct.			548.19	79	185	6,036	12,225
	Nov.							
	Dec.							





ECONOMIC INDICATORS - SEASONALLY ADJUSTEDI. Leading Indicators

		<u>New Orders in</u> <u>Manufacturing</u> <u>Canada</u>		<u>New Dwelling</u> <u>Unit Starts</u> <u>Ontario</u> <u>Canada</u>		<u>Housing Contracts</u> <u>Ontario</u> <u>Canada</u>		<u>Business, Industrial</u> <u>and Engineering</u> <u>Contracts</u> <u>Ontario</u> <u>Canada</u>	
		\$ Million		No.		\$ Million		\$ Million	
1959		23,330		54,158(1)	141,345(1)	504.8	1,111.7	757.5	2,107.4
1960		23,086		42,282	108,858	374.9	769.8	951.0	2,284.0
1961		23,994		48,144	125,577	402.6	1,006.0	826.4	2,217.0
1960	Jan.	1,917		2,732	9,056	31.4	78.4	97.5	235.2
	Feb.	1,971		2,359	6,051	20.5	58.9	56.0	236.3
	Mar.	1,978		1,539	5,674	24.6	56.7	91.1	177.2
	Apr.	1,859		1,766	5,499	33.8	72.9	166.1	313.9
	May	1,879		2,134	5,249	28.2	56.3	53.8	194.8
	June	1,932		2,631	5,888	31.8	64.0	32.7	173.5
	July	1,865		2,819	6,413	35.1	66.0	53.2	170.7
	Aug.	1,936		2,091	5,514	30.7	61.7	60.3	131.9
	Sept.	1,990		2,781	6,324	32.0	63.5	78.2	184.3
	Oct.	1,884		2,854	6,904	34.2	65.4	65.3	149.7
	Nov.	1,968		3,200	7,184	28.9	64.1	68.9	167.6
	Dec.	1,922		3,354	8,947	35.9	71.0	63.6	175.3
1961	Jan.	1,901		2,890	9,316	49.2	93.6	83.3	194.0
	Feb.	1,870		4,211	10,929	19.4	53.8	76.7	150.9
	Mar.	1,946		4,258	10,377	36.4	81.5	31.8	141.4
	Apr.	1,890		2,756	7,951	38.7	92.0	43.3	170.5
	May	1,951		2,725	6,696	33.6	86.1	51.9	137.2
	June	2,001		2,690	7,177	33.6	78.4	116.3	186.9
	July	1,971		2,737	6,403	29.7	77.7	79.2	184.8
	Aug.	2,099		3,504	7,850	46.5	99.6	56.8	156.2
	Sept.	2,060		3,385	7,610	38.9	84.7	75.8	259.5
	Oct.	2,042		2,544	6,997	20.2	66.5	65.8	160.6
	Nov.	2,217		3,052	8,442	31.0	92.9	85.1	270.0
	Dec.	2,043		3,385	8,572	32.6	98.2	71.4	182.7
1962	Jan.	2,125		3,192	9,922	40.1	147.2	109.3	207.8
	Feb.	2,087		1,983	9,111	28.5	86.7	109.5	190.1
	Mar.	2,148		3,036	9,608	32.9	93.1	57.8	181.0
	Apr.	2,038		3,036	8,610	26.7	88.7	66.1	163.3
	May	2,175		2,947	7,202	35.4	93.5	62.3	139.5
	June	2,210		2,879	7,820	41.8	104.6	157.6	227.4
	July	2,137		2,953	7,406	37.1	90.8	74.7	158.4
	Aug.	2,172		3,031	7,764	37.9	94.9	74.9	138.6
	Sept.	2,132		2,585	7,622	54.6	117.7	68.5	194.0
	Oct.					35.6	85.8	92.7	182.5
	Nov.					31.9	91.4	80.2	267.6
	Dec.								

Seasonal Adjustments, Ontario Department of Economics and Development.

- (1) The annual totals are for all areas; they are 35 to 40% higher than the figures for urban centres of 5,000 and over which are the only data available monthly.





## ECONOMIC INDICATORS - SEASONALLY ADJUSTED

## II. Coincidental and Lagging Indicators.

Gross National Product \$ Million	Total	Industrial Production:			Canada		
		Total	Manufacturing		Mining	Electric Power & Gas Utilities	
			Non-Durable	Durable			
Annual Rate	-----1949=100-----						
<u>1960</u>							
January		172.1	155.1	154.9	155.4	256.5	287.5
February	35,983	170.2	152.4	152.8	151.9	260.6	288.9
March		171.8	153.2	154.1	152.2	263.2	299.6
April		166.6	148.9	149.6	148.1	251.5	293.0
May	35,620	167.2	149.0	151.1	146.5	256.4	296.0
June		166.6	148.6	151.7	145.0	249.0	302.1
July		164.3	146.1	150.6	140.9	249.7	297.8
August	35,720	165.6	146.7	150.4	142.3	249.1	314.6
September		167.2	148.2	150.8	145.1	255.2	314.4
October		166.7	149.2	152.4	145.5	245.6	301.4
November	36,384	166.1	147.9	152.6	142.5	252.2	298.9
December		166.3	148.1	151.8	143.8	248.7	305.6
Year	35,928	167.4	149.3	151.8	146.9	253.3	298.0
<u>1961</u>							
January		165.6	146.7	152.7	139.8	253.8	305.8
February	35,560	166.7	147.9	153.4	141.5	255.3	303.9
March		166.0	148.5	153.7	142.5	243.6	302.5
April		169.2	149.8	155.4	143.1	260.2	312.2
May	36,488	169.4	149.1	154.1	143.2	262.8	325.5
June		173.3	153.4	158.2	147.9	264.9	323.5
July		173.4	154.0	158.8	148.4	260.1	325.0
August	37,396	176.4	155.5	157.8	152.8	273.9	331.0
September		178.1	156.8	159.1	154.2	281.6	332.9
October		177.9	156.8	159.3	153.9	278.4	330.4
November	37,932	180.1	158.9	160.8	156.7	287.1	321.8
December		180.5	160.8	163.5	157.6	273.3	325.5
Year	36,844	172.9	153.0	157.0	148.4	266.9	317.7
<u>1962</u>							
January		179.8	158.5	162.4	153.9	279.3	336.0
February	38,616	182.5	161.4	164.1	158.4	281.7	335.9
March		184.3	163.0	166.0	159.6	287.4	335.2
April		184.1	162.8	164.7	160.7	287.3	333.9
May	39,424	186.0	164.5	165.5	163.2	288.1	341.7
June		186.6	166.6	167.6	165.5	278.9	337.6
July		186.7	166.7	166.6	166.8	277.4	340.5
August		188.2	165.8	164.1	167.8	294.7	350.4
September							
October							
November							
December							





## ECONOMIC INDICATORS (CONTINUED) - SEASONALLY ADJUSTED

## II. Coincidental and Lagging Indicators.

		Cheques Cashed in Clearing Centres*		Retail Trade*		Labour Income**	
		Ontario(1)	Canada(2)	Ontario	Canada	Ontario	Canada
		\$ Million		\$ Million		\$ Million	
1959		27,842	97,586	6,220	16,283	7,352.0	17,463.0
1960		28,457	102,954	6,314	16,502	7,571.0	18,119.0
1961		30,422	114,577	6,337	16,664	7,911.0	18,884.0
1960	Jan.	2,380	8,346	530	1,376	627.5	1,498.3
	Feb.	2,444	8,575	520	1,361	626.6	1,499.1
	March	2,292	8,266	521	1,351	627.4	1,501.1
	April	2,294	8,436	528	1,367	629.3	1,504.8
	May	2,316	8,401	524	1,373	627.4	1,500.3
	June	2,340	8,551	524	1,370	628.6	1,506.1
	July	2,320	8,596	521	1,357	627.6	1,509.2
	Aug.	2,312	8,616	517	1,363	632.1	1,515.4
	Sept.	2,388	8,752	523	1,376	633.8	1,518.3
	Oct.	2,476	9,021	530	1,400	635.3	1,519.9
	Nov.	2,388	8,284	530	1,395	637.6	1,523.8
	Dec.	2,503	9,073	535	1,397	638.0	1,522.8
1961	Jan.	2,532	9,231	536	1,408	638.8	1,527.3
	Feb.	2,272	8,436	516	1,365	643.0	1,534.8
	March	2,338	9,307	511	1,353	645.8	1,540.9
	April	2,562	9,381	513	1,346	648.1	1,548.1
	May	2,516	9,371	517	1,360	653.3	1,558.3
	June	2,551	9,397	532	1,388	659.6	1,578.2
	July	2,705	9,568	535	1,383	664.6	1,584.0
	Aug.	2,544	9,715	589	1,430	667.8	1,588.2
	Sept.	2,614	10,281	480	1,336	666.3	1,592.7
	Oct.	2,557	9,575	518	1,391	670.7	1,601.7
	Nov.	2,543	9,724	542	1,440	671.6	1,607.8
	Dec.	2,682	10,559	539	1,436	681.1	1,622.4
1962	Jan.	2,705	10,338	542	1,442	683.1	1,630.7
	Feb.	2,736	10,439	531	1,419	687.2	1,639.7
	March	2,774	10,058	546	1,435	694.3	1,654.4
	April	2,770	10,253	544	1,456	699.3	1,661.1
	May	2,824	10,141	544	1,442	705.5	1,671.6
	June	2,832	10,136	533	1,422	705.1	1,671.1
	July	3,010	10,615	537	1,455	708.7	1,678.6
	Aug.	2,303	10,236	536	1,443	708.2	1,631.6
	Sept.						
	Oct.			533	1,422		
	Nov.						
	Dec.						

\* Seasonal Adjustments, Ontario Department of Economics and Development.

\*\* Seasonal Adjustments, Dominion Bureau of Statistics.

(1) Excluding Toronto.

(2) Excluding Toronto and Montreal.





## ECONOMIC INDICATORS ( CONTINUED ) -- SEASONALLY ADJUSTED

## II Coincidental and Lagging Indicators

		Labour Force	Employed	Unemployed No. % of L.F.		Labour Force	Employed	Unemployed No.% of L.F.	
		'000	'000	'000		'000	'000	'000	
-----Ontario-----					-----Canada-----				
1959		2,290	2,187	103	4.5	6,228	5,856	373	6.0
1960		2,367	2,239	128	5.4	6,403	5,955	448	7.0
1961		2,392	2,262	131	5.5	6,519	6,047	472	7.2
1960	Jan.	2,348	2,241	107	4.6	6,323	5,929	394	6.2
	Feb.	2,351	2,245	106	4.5	6,358	5,915	443	7.0
	Mar.	2,362	2,246	116	4.9	6,368	5,927	441	6.9
	Apr.	2,364	2,240	124	5.2	6,354	5,896	458	7.2
	May	2,386	2,256	130	5.4	6,404	5,948	456	7.1
	June	2,352	2,227	125	5.3	6,371	5,960	411	6.5
	July	2,338	2,208	130	5.6	6,388	5,952	436	6.8
	Aug.	2,365	2,225	140	5.9	6,424	5,972	452	7.0
	Sept.	2,371	2,242	129	5.4	6,423	5,980	443	6.9
	Oct.	2,390	2,252	138	5.8	6,473	5,993	480	7.4
	Nov.	2,389	2,255	134	5.6	6,477	5,993	484	7.5
	Dec.	2,387	2,238	149	6.2	6,482	5,980	502	7.7
1961	Jan.	2,403	2,237	166	6.9	6,520	5,978	542	8.3
	Feb.	2,392	2,232	160	6.7	6,506	5,941	565	8.7
	Mar.	2,384	2,229	155	6.5	6,489	5,952	537	8.3
	Apr.	2,393	2,245	148	6.2	6,538	6,010	528	8.1
	May	2,398	2,259	139	5.8	6,555	6,061	494	7.5
	June	2,391	2,255	136	5.7	6,507	6,044	463	7.1
	July	2,392	2,255	137	5.7	6,534	6,073	464	7.1
	Aug.	2,395	2,280	115	4.8	6,502	6,077	425	6.5
	Sept.	2,384	2,290	94	3.9	6,491	6,065	426	6.5
	Oct.	2,384	2,271	113	4.7	6,512	6,080	432	6.6
	Nov.	2,398	2,292	106	4.4	6,524	6,118	406	6.2
	Dec.	2,398	2,294	104	4.3	6,547	6,162	385	5.9
1962	Jan.	2,391	2,279	112	4.7	6,533	6,147	386	5.9
	Feb.	2,392	2,275	117	4.9	6,567	6,147	420	6.4
	Mar.	2,391	2,277	114	4.8	6,592	6,211	381	5.8
	Apr.	2,394	2,294	100	4.2	6,591	6,206	385	5.8
	May	2,401	2,306	95	4.0	6,603	6,229	374	5.7
	June	2,459	2,338	121	4.9	6,665	6,263	402	6.0
	July	2,426	2,306	120	4.9	6,664	6,244	420	6.3
	Aug.	2,432	2,320	112	4.6	6,656	6,269	387	5.8
	Sept.	2,405	2,319	86	3.6	6,592	6,211	381	5.8
	Oct.	2,401	2,312	89	3.7	6,583	6,184	399	6.1
	Nov.								
	Dec.								





## ECONOMIC INDICATORS (CONTINUED) - SEASONALLY ADJUSTED

## II Coincidental and Lagging Indicators

	Industrial Employment		Average Hourly Earnings in Manufacturing	
	Ontario	Canada	Ontario	Canada
	1949=100		\$	\$
1959	121.3	119.7	1.82	1.72
1960	119.2	118.7	1.87	1.78
1961	118.8	118.0	1.93	1.83
1960 Jan.	121.2	120.1	1.86	1.76
Feb.	121.0	120.0	1.86	1.76
Mar.	120.3	119.7	1.86	1.77
Apr.	119.6	118.8	1.87	1.78
May	119.4	118.9	1.87	1.78
June	119.2	119.3	1.87	1.78
July	117.9	118.2	1.87	1.78
Aug.	119.0	118.7	1.88	1.79
Sept.	118.7	118.4	1.88	1.79
Oct.	118.1	118.0	1.89	1.79
Nov.	118.6	117.8	1.89	1.80
Dec.	117.7	116.9	1.90	1.80
1961 Jan.	117.2	116.5	1.90	1.80
Feb.	117.0	116.2	1.90	1.81
Mar.	117.0	116.5	1.92	1.82
Apr.	117.1	116.6	1.92	1.83
May	117.8	117.2	1.93	1.83
June	118.1	117.7	1.93	1.82
July	118.8	118.8	1.92	1.83
Aug.	120.3	119.5	1.95	1.85
Sept.	119.2	118.6	1.92	1.83
Oct.	119.9	119.3	1.95	1.85
Nov.	120.8	119.7	1.95	1.85
Dec.	121.2	120.0	1.95	1.86
1962 Jan.	121.2	120.3	1.94	1.85
Feb.	120.9	120.1	1.95	1.85
Mar.	121.4	120.6	1.96	1.86
Apr.	122.0	120.8	1.96	1.88
May	122.9	121.3	1.98	1.88
June	122.9	121.2	1.97	1.87
July	123.3	122.0	1.98	1.88
Aug.	123.8	122.3	1.98	1.89
Sept.				
Oct.				
Nov.				
Dec.				

Seasonal Adjustments, Ontario Department of Economics and Development





ECONOMIC INDICATORS (CONTINUED) - SEASONALLY ADJUSTEDII Coincidental and Lagging Indicators

		<u>Power Consumption</u>		<u>New Dwelling Unit Completions</u>	
		<u>Ontario</u>	<u>Canada</u>	<u>Ontario</u>	<u>Canada</u>
		(MKWH)		(Number)	
1959		35,387	99,782	54,281 <sup>(1)</sup>	145,571 <sup>(1)</sup>
1960		36,983	108,912	46,982	123,757
1961		38,223	110,433	43,754	115,608
1960	Jan.	3,046	8,903	3,008	9,044
	Feb.	3,132	9,156	4,046	10,688
	Mar.	3,144	9,192	3,329	8,170
	Apr.	3,047	8,978	3,693	9,131
	May	3,077	8,849	3,081	8,147
	June	3,078	9,071	2,676	6,896
	July	3,025	8,998	2,809	7,285
	Aug.	3,105	9,225	2,582	7,118
	Sept.	3,102	9,298	2,945	7,449
	Oct.	3,050	8,999	1,828	5,736
	Nov.	3,074	9,058	3,143	6,873
	Dec.	3,106	9,146	2,657	6,476
1961	Jan.	3,129	9,175	3,358	7,280
	Feb.	3,019	8,927	3,580	8,037
	Mar.	3,076	9,129	2,411	5,902
	Apr.	3,013	9,069	1,810	6,356
	May	3,188	9,306	1,783	6,189
	June	3,197	9,047	2,959	7,339
	July	3,168	8,881	3,015	6,921
	Aug.	3,237	9,116	3,038	7,874
	Sept.	3,273	9,224	2,575	7,917
	Oct.	3,253	9,347	2,742	6,888
	Nov.	3,301	9,485	2,169	6,137
	Dec.	3,280	9,556	2,485	6,413
1962	Jan.	3,378	9,751	3,995	8,319
	Feb.	3,297	9,544	3,763	8,791
	Mar.	3,312	9,587	3,643	8,402
	Apr.	3,294	9,445	2,142	7,520
	May	3,356	9,746	2,775	7,117
	June	3,294	9,639	2,793	6,685
	July	3,286	9,502	4,402	8,903
	Aug.	3,356	9,690	2,455	6,940
	Sept.	3,356	9,438	2,862	7,876
	Oct.				
	Nov.				
	Dec.				

Seasonal Adjustments, Ontario Department of Economics and Development.

- (1) The Annual totals are for all areas; they are 35 to 40 per cent higher than the figures for urban centres of 5,000 and over which are the only data available monthly.





ECONOMIC INDICATORS - CONTINUED  
NOT SEASONALLY ADJUSTED

		Dividend Payments	Prices	Domestic	Imports	Foreign
		Index, Annual Rate	Industrial	Exports	For Consumption	Exchange
		(1956=100)	Materials			Reserves
			(1935-39=100)	(\$ Millions)	(\$ Millions)	\$M - U.S.
						Funds
1959		100.4	240.2	418.5	459.1	1,869
1960		106.8	240.4	438.7	456.9	1,829
1961		112.1	243.2	479.6	480.9	2,056
1960	Jan.	105.0	243.2	410.0	398.5	
	Feb.	105.5	241.8	419.8	451.9	
	March	105.5	240.4	428.2	472.8	1,856
	April	105.6	241.7	357.6	476.4	
	May	105.9	243.2	473.8	515.3	
	June	106.2	242.2	446.3	485.8	1,774
	July	106.7	240.5	453.8	423.0	
	Aug.	106.8	240.8	468.9	444.1	
	Sept.	107.0	241.0	432.7	427.1	1,813
	Oct.	107.1	238.5	472.1	446.7	
	Nov.	110.3	236.0	461.1	512.3	
	Dec.	110.5	235.2	430.9	428.8	1,829
1961	Jan.	111.0	235.4	445.5	429.5	
	Feb.	111.2	238.1	358.1	393.6	
	March	111.2	240.2	429.2	458.4	1,935
	April	111.3	241.7	437.1	437.4	
	May	111.4	244.0	448.8	548.7	
	June	111.9	239.7	495.8	495.4	1,985
	July	111.9	247.7	518.0	459.3	
	Aug.	111.9	247.1	510.8	490.3	
	Sept.	112.2	247.8	519.8	463.2	1,924
	Oct.	112.4	246.6	546.3	553.9	
	Nov.	113.5	244.6	527.2	568.3	
	Dec.	114.7	245.7	518.7	473.6	2,056
1962	Jan.	114.7	245.2	488.1	492.3	
	Feb.	114.6	246.2	408.9	447.8	
	March	115.0	247.1	455.6	530.2	1,709
	April	115.2	247.6	448.8	497.8	
	May	115.2	251.8	597.7	650.2	
	June	115.0	251.3	530.7	528.8	1,809
	July	115.7	251.2	546.8		
	Aug.	116.2	249.5	540.5		
	Sept.	116.2	246.7	480.2		
	Oct.	116.4				
	Nov.					
	Dec.					



Manufacturing in Canada

Manufacturing production picked up steam in Canada during September as the index of production rose to a new high of 167.4 after a rather slow 2 months in July and August.

Total shipments, seasonally adjusted, stood at \$2,193.5 million an increase of 9 per cent from a year ago, and over the whole January-September period, shipments rose almost 9 per cent. The increase in total shipments kept pace with the build-up in inventories and there was no significant change in the shipments - inventory ratio. During the year inventory has been accumulating at all levels in manufacturing with the most significant gains in the goods-in-process sector.

New orders have been holding up well during the whole year and there has been no substantial change in the value of unfilled orders which stood at \$2,097.0 million in September (seasonally adjusted) - a slight decrease from the July high.

The significant feature of the manufacturing surge this year has been the fact that it is concentrated primarily in the durable sector. The only real strength shown in non-durables was in the products of petroleum and coal industry. In durables, total production has been rising steadily and increased sharply from August to September to reach a new record level of 170.0. The big gains were recorded in transportation wood products, the machinery industry and the heavy electrical machinery industry.

As has been the case all year, steel and auto production continued to rise with shipments of motor vehicles in the first 10 months at 32.1 per cent over the same period last year.

Wholesale Prices

The general wholesale price index declined 0.1 per cent in October to 241.6 from the September index of 241.8. This is the second consecutive decline during the last two months from the all-time high in August 1962 when the index stood at 242.5. The rate of decline in October, however, was smaller than in September. Price Changes during October were small; three groups remained unchanged, four advanced slightly, whereas two declined.





The October price level was 2.7 per cent higher than in October 1961. It should be noted that there was a continuous upward trend of price increases since April 1961 which reached a peak in August 1962.

The index of thirty industrial materials declined slightly during October. Prices of Canadian farm products at terminal markets also declined during October by 1.9 per cent. The animal product component declined 2.8 per cent as lower prices were recorded for hogs, lambs and eggs while the field products component moved down fractionally due to lower prices for potatoes.

#### Construction

Construction activity in Canada was strong in spite of an expected slow-down in the fall of this year. The healthiest sectors were business and residential construction.

For the second consecutive month contracts awarded in October were a source of further vigor in the months ahead. Residential contracts, seasonally adjusted, fell considerably below the exceptional September volume to the lowest figure for any month in 1962, but remained significantly above the October volumes of the previous two years. The seasonally adjusted total for the first ten months reached \$1 billion.

Non-residential contracts, following a down-trend earlier this year, showed up very strongly in September as well as October. The difference from the previous months, when business contracts were the only source of strength, is a more even distribution among the business, industrial and engineering sectors in October. The seasonally adjusted 10-month total for these three sectors reached almost \$1.8 billion - about the same as last year.

Housing starts in urban centres during September changed little from last year and the cumulative total for the first nine months remains more than 2,500 units ahead of 1961. The outlook for the whole year is still quite good and our estimate for the year is now in excess of 130,000 units. Completions of dwelling units jumped in September to close to 10,000 bringing the total for the year to 63,936 units. As a result, the number of units under construction at the end of September dropped to 59,153 units.





### Labour Force, Employment and Earnings

Employment in Canada declined by slightly more than the usual seasonal amount in October as farm work was completed early. Thus the largest drop in employment was in agriculture in the Prairie Provinces. The labour force showed little change during the month, and unemployment rose slightly to 6.1 per cent of the work force, seasonally adjusted, as compared with an average of 6.0 per cent for the first ten months of 1962. The highest rates of unemployment continued among the new entrants to the work force as 9.9 per cent of the work force under 20 years of age was unemployed as compared with 4.3 per cent for all ages.

The employment situation continues bright, despite this temporarily larger than seasonal decline. Total employment in Canada in October was about 100,000 higher than in October 1961. The increases over the past year were in the services, transportation, trade, manufacturing and construction industries while the primary industries continued to decline.

Labour income has also continued to rise and in August was almost 6 per cent higher than in the comparable period last year. Rising employment levels in the high-wage durable manufacturing industries and a continuing gradual rise in all wage rates have contributed to the rise. Average weekly earnings of industrial workers in August were \$2.58 higher than in August 1961.

### Retail Sales

September retail sales were estimated at \$1,378 million - down by 4.9 per cent from August and 1.3 per cent above a year ago.

Retail sales suffered a second consecutive decline from a high level of \$1,455 million, seasonally adjusted, in July.

Eleven out of nineteen groups of business establishments registered a contraction of sales. Motor vehicle dealers suffered the largest cutback of 21.0 per cent as compared to August. They were followed by lumber and building materials dealers (13.3%), and garage and service stations (10.0%). On the other hand, department stores, clothing stores and fuel dealers expanded their volume of sales substantially.



The estimated value of sales for the first nine months of this year show a 4.2 per cent improvement over last year. During this period all types of business establishments reported increases and this expansion was enjoyed by all Provinces. British Columbia was leading with a 7.4 per cent expansion, followed by Quebec (6.8%), Saskatchewan (4.6%), Manitoba (4.3%), Alberta (3.9%), Atlantic Provinces (2.7%) and Ontario (2.2%).

Although the present situation in retail business is not very reassuring, the outlook for the immediate future is not entirely discouraging. The approaching Christmas season will enhance the consumer's buying mood. Motor vehicle dealers expect that the next auto season will be as good as the last one. Weaknesses, however, may appear in the demand for heavy household appliances and for some building materials.

#### Consumer Prices

The consumer price index rose 0.4 per cent in October to reach a record 131.5, which was 1.8 per cent above the index of October 1961. Most components of the index registered increases between September and October. Prices for clothing recorded the sharpest rise of 2.0 per cent. Food prices advanced 0.3 per cent as a result of higher prices for eggs, beef, pork, citrus fruits, tomatoes and lettuce, though prices were lower for most other fresh vegetables and apples. Health and personal care costs rose 1.1 per cent higher fees for doctors, dentists and optical care.

The only decline recorded during this period was in the index of transportation costs, which dropped 0.3 per cent as a result of price declines for gasoline.

#### Consumer Credit

Estimated balances outstanding on the books of various financial establishments department stores, chartered banks, etc. rose \$24 million in August, or by 0.7 per cent to reach \$3,704 million at the end of the month. This represents an increase of 13.4 per cent over the estimated balances outstanding a year ago.

A year-to-year comparison shows that chartered bank loans expanded by 25.9 per cent followed by small loan companies, 14.2 per cent, and





department stores 7.6 per cent. The use of credit accomodation extended by sales finance companies declined by 2.4 per cent and furniture and appliance stores by 2.1 per cent.

There was, however, a noticeable change of borrowing trends during August, viz. consumer credit extended by small loan companies, finance companies and furniture and appliance stores increased its share of financing at the expense of chartered banks whose loans increased only by 0.2 per cent. This shift in the supply of credit can be attributed to the recent heavy car sales and to tighter bank credit.

#### Foreign Trade

Preliminary Canadian trade figures indicate that the correcting effects of the surcharges and the lower exchange value of the Canadian dollar were slow and not yet clearly evident in the third quarter. During the third quarter of this year imports increased by 10.5 per cent while exports rose only 1.7 per cent from the corresponding period last year. Exports to the United States advanced considerably during the quarter; those to the United Kingdom rose very little; and those to other countries declined. A large decline in third quarter shipments (wheat) to Communist China was noted, but this decline was more than offset by increases in the previous quarters. Imports from all countries but the United Kingdom advanced in the third quarter, especially those from other Commonwealth countries and the United States. Gains are anticipated in most lines, particularly in machinery, automobile parts and electrical apparatus.

For the first nine months of 1962, total exports from Canada were at a new peak of \$4.6 billion, a 9.1 per cent advance over the same period last year. This increase was solely attributable to exports to the U. S. which rose 19.6 per cent and were partly offset by a fractional decline in exports to the U. K., a 5.4 per cent drop in exports to other Commonwealth and preferential countries and a 7.6 per cent drop in exports to all other countries. Major rises in exports were recorded in iron ore, crude petroleum, natural gas, lumber and timber. Smaller increases occurred in wood pulp, aluminum and products, and nickel.





Declines were noted in wheat, newsprint, and uranium.

Total imports during the first nine months rose by 12.8 per cent over the corresponding period last year. Imports from the United States were 16.1 per cent higher than last year; those from the United Kingdom were 5.5 per cent lower; those from all other Commonwealth and preferential countries were 12.4 per cent higher and those from all other countries 11.4 per cent.

During the first nine months of this year there was an import balance of \$85.4 million as compared with an export balance of \$88.2 million during the same period last year. It is very likely that the deficit incurred during the first three quarters will be reduced in the fourth quarter, when the surcharges are expected to become more effective in reducing imports.

## Part II NOTES ON ECONOMIC CONDITIONS IN ONTARIO

### Manufacturing in Ontario

Shipments from Ontario manufacturing concerns continued to move ahead rapidly during September. Total shipments during the month totalled \$1,063.6 million in September, 4.2 per cent above the same month last year. On the whole year total shipments were 9.9 per cent higher than in the same period last year.

With the concentration of durable manufacturing in the Province, particularly the transportation, machinery and heavy electrical equipment industries, manufacturers are having an excellent year by any standard.

### Construction

Construction activity in Ontario has been reasonably strong in recent months, though it has slowed down from the first half of the year. While activity in the business sector, especially school construction, was greater than ever, residential construction advanced less than in the nation as a whole and industrial and engineering construction activity were downright poor.



October contracts awarded in the residential sector, seasonally adjusted, were somewhat disappointing after a very good September. Non-residential contracts awarded were considerably stronger in October. These contracts showed an easing in the business sector, a good boost in the industrial sector and more than average strength in the engineering sector. The total ten-month value of all contracts was very close to the all-time record value recorded in the first ten months of 1958.

Starts of new dwelling units in urban centres during September fell much below those a year ago, bringing the total number for the first three quarters to 25,125 units. Residential contracts would appear to indicate some improvement in the last quarter of the year. A greater number of completions during the month reduced the number of units under construction at the end of September to 25,557 units.

#### Labour Force, Employment and Earnings

The employment situation in Ontario was virtually unchanged in October. Neither employment nor unemployment changed noticeably during the month so that the unemployment rate continued at 3.7 percent of the work force, the same low level established in September. Thus, the labour market is continuing in better balance than it has been since 1959.

Employment has been rising in most sectors of the economy this year. Services, trade, construction and manufacturing are all up from last year but durable manufacturing, particularly automobiles, has been the main source of strength in Ontario.

In August there was a pause in the upward trend of labour income in Ontario but this is expected to be temporary. The high level of automobile production this year has been one of the major factors in the steep rise in labour income so that the shutdown for re-tooling in that industry in August partially offset the usual seasonal rise in incomes, hence labour income, seasonally adjusted, levelled off. Nevertheless, the total in August was still about six percent higher than in August 1961.





### Retail Sales

Retail sales in Ontario were estimated in September at \$506 million and were 2.4 per cent below the level of \$519 million in August, but 5.7 per cent ahead of a year ago. However, last year's September sales were exceptionally low because of the sales tax.

On a seasonally adjusted basis, the sales dropped by 0.6 per cent to \$533 million in September.

Sales were smaller in ten of the 19 specified kinds of businesses and larger in nine. The shifts in some of the business groups were quite considerable. The following groups gained: women's clothing, 33.5 per cent; men's clothing, 24.4 per cent; family clothing, 20.9 per cent; furniture, appliance and radio, 20.8 per cent; department stores, 20.7 per cent; and fuel dealers, 22.1 per cent. On the other hand, contraction of business took place in the following groups; motor vehicle dealers, 16.0 per cent; lumber and building materials, 15.5 per cent; food and beverage stores, 11.3 per cent; and general stores, 11.2 per cent.

A comparison of the January to September period with the same period last year shows that 14 types of business establishments had increased sales, while five suffered contractions. Gains ranged in magnitude from 0.4 per cent for department stores to 8.5 per cent for motor vehicle dealers, while declines ranged from 0.1 per cent in drug stores to 7.4 per cent for furniture, appliance and radio dealers.





PART III

NOTES ON ECONOMIC CONDITIONS IN THE UNITED STATES

The latest economic news from the United States appears to be anything but glum. Three months ago, predictions indicated a definite slow-down by the end of the year. So far these predictions have failed to materialize and some forecasters now state that a possible recession in the near future will be only slight or not occur at all.

At the present time, business activity remains high and buoyant, but there is still inherent caution, principally because the economy has failed to grow as fast as anticipated. Growth for 1962 was forecast in the neighborhood of ten per cent over 1961, but with the publication of third quarter statistics growth for the year is now expected to be about six to seven per cent. In real terms, moreover, growth will probably be even less, since prices during the year have been edging upward. Between the third quarter of 1961 and the third quarter of this year, the real growth in G.N.P. was about five per cent.

Perhaps the most gratifying factor at the present time is the reduced level of unemployment. After rising to 5.8 per cent in August and September, it dropped back to 5.5 per cent in October, equal to the 1959 average. However, this drop does not result so much from a rise in employment as from a drop in the labour force. A high percentage of students working during the summer months returned to school.

Other encouraging factors include a record level of retail sales in October, a record level of durable goods new orders, (after falling in the previous two months), and a record level of total personal income, all on a seasonally adjusted basis.

Tarnishing this picture, however, is the fact that total construction activity and factory sales of durable goods remained the same in October as in September, and the increase in personal income was only the result of an increase in state and local government payrolls and some transfer payments. Moreover, total industrial production, which has been buoyed up by improvements in the steel industry and a high level of automobile production, has been topping off. The seasonally



adjusted index of total industrial production was 119.5 in October, down slightly from the record high of 119.8 in September. Nevertheless, although not high, steel production has been rising. During the third week in November, steel production rose to 63 per cent of capacity in 1961, the highest level in seven months compared with a low point of 42 per cent in the first week of July. A continued high demand for automobiles should further improve the level of steel production, and, at the present time this appears possible. A preliminary report for the first 20 days in November indicates the highest run on record. The industry is hoping for a production goal of more than 2 million cars for the final quarter of this year, achieved only three other times in the past.

While business conditions appear favourable for the remainder of the year, particularly with the Christmas rush not fully begun, declining corporate profits cannot fail to exert a dampening influence. After levelling off in the second quarter, advance corporate profit returns for the third quarter indicate an eight per cent decline from the second. In addition, the profit margin narrowed from 6.2 cents per sales dollar in the second quarter to 5.6 cents per sales dollar in the third.





NOTES ON FINANCIAL CONDITIONSINTRODUCTION

During the month of October, the total supply of money in Canada rose - the first time it has done so since the austerity measures were imposed in June. As at October 31, the money supply amounted to \$15,272 million, an increase of \$138 million over the month. Chartered banks general loans, on the other hand declined by \$135 million during October, to close the month at a level of \$6,649 million. Short-term funds were in good supply throughout October.

The Cuban crisis brought a temporary halt to the steady uptrend in bond prices evident during October on all sections of the Canadian bond markets. As international tensions eased, bond prices resumed their advance, closing the month at substantially higher levels than those in effect at the end of September.

The gradual decline of industrial stock prices during the previous six weeks was halted early in October, as share prices levelled off in the first 3 weeks of the month. A brief, but sharp price decline followed the Cuban crisis. However, a strong subsequent rally then occurred which continued into the first half of November, and substantial gains were recorded.

The Canadian dollar continued to show strength in foreign exchange markets during the month. Canada's official holdings of gold and foreign exchange advanced \$169.3 million over the month to total \$2,613.9 million as at October 31.

Canadian Money Market - October

Short-term funds were in fairly good supply during the month, as reflected by the lowering of the level of interest rates. The day-to-day loan rate opened the month at 5%, and subsequently decreased to close the month at 4%. Day-loan rate changes are shown in Appendix B-1. The average tender yield on Government of Canada Treasury Bills declined at each auction during October: the yield on 91-day bills which stood at 4.94% on October 4, had declined to 4.16% by November 1. The weekly average yields and distribution of outstanding Canada Treasury Bills during October





are shown in Appendix B - 1.

Prime finance and prime commercial rates were adjusted fractionally downward during the month; the trend is illustrated in Appendix B - 1.

Substantial price advances were registered by short-term bonds during October; gains ranged to two full points.

On Friday, October 12, Governor Rasminsky of the Bank of Canada announced that the bank rate had been reduced from  $5\frac{1}{2}$  per cent to 5%. The Governor indicated that this action was taken in the light of a further strengthening of Canada's foreign exchange reserves and "continued improvement in the bond market".

#### Canadian Bond Markets - October

During the first three weeks of the month, prices of outstanding issues on the Canada bond market posted good price gains. This strong price uptrend was attributable to several factors, notably, the continued strengthening of Canada's foreign exchange position, the strong U.S. demand for Canadian securities, the lack of substantial sales by the Bank of Canada from its bond portfolio, and the reduction in the bank rate.

However, the critical international situation which developed subsequent to President Kennedy's speech on Monday, October 22, directly affected activity on the Canada bond market. Prices declined by as much as one full point the next day. Thereafter substantial support of the market by the Bank of Canada and subsequent dealer inventory accumulation stimulated demand to reverse the downtrend.

Over the month as a whole, short-term Government of Canada issues registered gains ranging to \$2.00, medium-and long-term issues, \$2.00 to \$4.00 in price. Price and corresponding yield changes for selected Canada bonds are shown in Appendix B - 2.

Price improvement was also registered by outstanding issues on the Provincial bond market during October. As illustrated in Appendix B - 3, short-term issues advanced \$0.75 to \$1.25, medium-term issues, \$1.00 to \$2.00 and long-term bonds, to \$2.50 in price over the month.



Four new provincial and/or provincially guaranteed issues were reported during October, as follows:

\$25 million British Columbia Toll Highways and Bridge Authority 5% sinking fund debentures, series F due 1982, placed privately in the U.S. at a reported yield of 5.25%. This issue is unconditionally guaranteed by the Province.

\$15 million Province of Saskatchewan  $5\frac{1}{2}\%$  sinking fund debentures due November 15, 1982, priced to yield 5.61%.

\$15 million The Manitoba Telephone System  $5\frac{1}{2}\%$  bonds due November 15, 1983, offered to yield 5.65%. The issue is guaranteed as to principal and interest by the Province.

\$15 million (U.S.) Province of Nova Scotia  $5\frac{1}{4}\%$  debentures due November 1, 1982, privately placed in the U.S. at a reported yield of 5.25%.

Fractional price improvement was also registered on the Municipal bond market though the volume of trading remained subdued. The highlight of the month was a \$30.2 million Municipality of Metropolitan Toronto  $5\frac{1}{2}\%$  Sinking Fund and Installment debentures issue comprised as follows:





SINKING FUND DEBENTURES

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>To Mature November 15</u>	<u>Offering Price(1)</u>	<u>Approximate Yield to Maturity</u>
\$2,542,000	5½%	1972	99.75	5.53%
181,000	5½%	1977	Sold	--
16,744,000	5½%	1982	99.00	5.58%
<u>7,399,000</u>	5½%	1992	99.25	5.55%
\$26,866,000				

INSTALLMENT DEBENTURES

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>To Mature November 15</u>	<u>Offering Price(1)</u>	<u>Yield to Maturity</u>
\$3,224,000	5½%	1963-72	Sold	-
21,000	5½%	1973	Sold	-
22,000	5½%	1974	Sold	-
24,000	5½%	1975	Sold	-
25,000	5½%	1976	Sold	-
<u>27,000</u>	5½%	1977	Sold	-
\$3,343,000				

(1) Plus accrued interest from November 15, 1962.

Details of other significant new Municipal bond issues which came to the market during October are given in Appendix B - 8.

Prime corporate bonds advanced \$0.50 to \$1.00 in price over the month. Several substantial issues came to the market during October, details of which are shown in Appendix B - 8.

The monthly figures issued by Wood Gundy & Company Limited indicate that public bond financing in Canada in the first 10 months of 1962 amounted to \$2,435.8 million, as compared with \$2,494.1 million in the same period last year, a decrease of 2.3%. The breakdown is illustrated in the following table:





Canadian Bond Financing January 1st to October 31st	1961		1962	
	Amount	% of Total	Amount	% of Total
	\$	%	\$	%
Canadian Direct and Guaranteed(1)	775,000,000	31.1	800,000,000	32.8
Provincial Direct and Guaranteed(1)	896,109,331	35.9	666,343,300	27.4
Ontario Municipal	172,292,499	6.9	166,145,158	6.8
Quebec and Maritime Municipal	196,067,750	7.9	160,715,400	6.6
Western Municipal	32,420,159	1.3	41,062,810	1.7
Corporation	<u>422,225,000</u>	<u>16.9</u>	<u>601,566,500</u>	<u>24.7</u>
	2,494,114,739	100.0	2,435,833,168	100.0
	=====	=====	=====	=====
Payable in Canadian Funds	2,384,212,739	95.6	1,920,190,248	78.8
Payable in U.S. Funds	<u>109,902,000</u>	<u>4.4</u>	<u>515,642,920</u>	<u>21.2</u>
	2,494,114,739	100.0	2,435,833,168	100.0
	=====	=====	=====	=====
Refunding	523,102,000	21.0	535,984,100	22.0
New Money	<u>1,971,012,739</u>	<u>79.0</u>	<u>1,899,849,068</u>	<u>78.0</u>
	2,494,114,739	100.0	2,435,833,168	100.0
	=====	=====	=====	=====

(1) Over two years in term.

#### Canadian Stock Markets - October

The almost daily fractional decline of industrial share prices which characterized activity on Canadian stock exchanges during September was halted early in October. During the first three weeks of October equity prices fluctuated within a narrow range, paralleling activity in the New York Stock Exchange. At that time, the deteriorating international situation had a visible impact on prices of most securities on Canadian and American markets. However, as the immediate danger of an outbreak of hostilities lessened, buyers returned to the market and moderate price advances were registered.

The Toronto Stock Exchange Industrial Index closed the month at a level of 536.13, an increase of 5.86 or 1.1% on Index over the month. T.S.E. Golds and Base Metals declined while Western Oils advanced fractionally on Index during the month. Changes in these and other representative stock indices are indicated in the following table:



COMMON STOCK AVERAGES

	<u>1961-62</u>		<u>Sept.28</u>	<u>Oct.31</u>	<u>Percentage Change</u>	
	<u>High</u>	<u>Low</u>	<u>1962</u> <u>(Closing)</u>	<u>1962</u> <u>(Closing)</u>	<u>Sept.28</u> <u>1962</u>	<u>Dec.29</u> <u>1961</u>
T.S.E. Industrials	629.06	510.23	530.27	536.13	+1.1	-13.4
T.S.E. Golds	104.30	80.09	91.97	88.74	-3.5	-2.6
T.S.E. Base Metals	216.90	161.42	175.72	174.30	-0.8	-19.5
T.S.E. Western Oils	131.20	80.82	109.77	113.54	+3.4	-4.9
N.Y. Industrials (Dow-Jones)	734.91	535.76	578.98	589.77	+1.9	-19.3
London Industrials (Financial Times)	365.7	252.8	270.0	276.4	+2.4	-9.3

Statistics published by the Toronto Stock Exchange indicate that the value of all shares traded on the T.S.E. in September (\$148.9 million) was 29.0% less than the same period last year. A comparison of value and volume of shares traded on the T.S.E. during the first ten months of 1961 and 1962 follows:

SHARES TRADED ON T.S.E.

<u>Month</u>	<u>1961</u>		<u>1962</u>	
	<u>Value</u>	<u>Volume</u>	<u>Value</u>	<u>Volume</u>
	\$		\$	
January	172,208,251	48,465,731	257,802,090	103,560,702
February	165,984,926	40,102,357	197,335,267	65,135,372
March	210,419,954	51,115,859	180,303,855	76,600,798
April	216,742,576	59,723,084	151,436,824	61,406,537
May	266,407,697	78,461,194	227,089,586	56,773,532
June	200,224,750	46,975,514	171,810,387	45,079,442
July	151,309,896	30,726,483	121,763,830	46,651,998
August	176,315,945	32,255,477	136,986,233	81,352,104
September	181,403,013	58,107,664	165,163,871	97,999,819
October	<u>209,803,377</u>	<u>69,071,067</u>	<u>148,886,214</u>	<u>69,965,110</u>
	<u>1,950,820,385</u>	<u>515,004,430</u>	<u>1,758,578,157</u>	<u>704,525,414</u>

According to figures released by the Financial Post, dividend payments by Canadian companies for the first eleven months of 1962 are 10.5% higher than the like period in 1961. Final figures for the first ten months of 1962, and preliminary payments and declarations for November total \$824.3 million as compared with \$746.3 million at the same time last year. The monthly totals are as follows:





MONTHLY DIVIDENDS AND DECLARATIONS

	<u>1961</u>	<u>1962</u>
	\$	\$
January	75,540,860	80,253,544
February	47,604,411	46,805,360
March	95,035,916	99,545,911
April	64,994,919	70,598,346
May	35,730,442	37,487,497
June	105,879,657	127,271,410
July	74,020,192	74,270,055
August	47,446,397	54,140,088
September	96,357,372	99,881,332
October	65,559,895	72,478,014
November	<u>38,127,088</u>	<u>61,615,711(1)</u>
	<u>746,297,149</u>	<u>824,347,268</u>

(1) Preliminary

Foreign Exchange Rates - October

There was little fluctuation in the U.S. dollar in terms of Canadian funds during October. The rate of exchange on the American dollar declined  $\frac{1}{16}$  during October to close the month at  $\$1.07\frac{9}{16}$ . The British pound sterling closed at  $\$3.01\frac{7}{16}$ , down  $\frac{1}{8}$  over the month. Fluctuations in selected exchange rates are illustrated in Appendix B - 10.

Canada's official holdings of gold and foreign exchange increased by \$169.3 million in October to close the month at a level of \$2,613.9 million. On October 31, the Bank of Canada announced that it was returning \$125 million of the \$250 million in U.S. funds acquired through a reciprocal currency arrangement with the Federal Reserve Bank of New York, and \$50 million of the \$100 million acquired on a similar arrangement with the Bank of England. Still outstanding are \$475 million in loans and reciprocal currency arrangements which the Federal Government obtained in June to bolster its foreign exchange reserves.





MONEY MARKET STATISTICS  
1962

	October 4	October 11	October 18	October 25	November 1
Money Supply (\$ million)	15,134	15,105	15,099	15,063	15,272
Chartered Banks, General Loans (\$ million)	6,783	6,704	6,660	6,638	6,649
Day-to-Day Loan Rate (%)	5	4 <sup>3</sup> / <sub>4</sub>	4	4 <sup>1</sup> / <sub>4</sub>	4

Average Yield on Treasury Bills (%)

91-Day	4.94	4.72	4.22	4.27	4.16
182-Day	5.13	4.88	4.36	4.42	4.30

Canada Treasury Bills Outstanding (\$ million)

91-Day	1,285	1,295	1,305	1,315	1,325
182-Day	675	680	685	690	695
366-Day	85	85	85	85	85

Prime Finance Paper Rates (%)

30 - 89 Days	5	4 <sup>3</sup> / <sub>4</sub>	4 <sup>1</sup> / <sub>4</sub>	4 <sup>1</sup> / <sub>4</sub>	4 <sup>1</sup> / <sub>4</sub>
90 - 179 Days	5 <sup>1</sup> / <sub>4</sub>	5	4 <sup>3</sup> / <sub>8</sub>	4 <sup>1</sup> / <sub>2</sub>	4 <sup>1</sup> / <sub>2</sub>
180 - 269 Days	5 <sup>2</sup> / <sub>4</sub>	5 <sup>1</sup> / <sub>4</sub>	4 <sup>1</sup> / <sub>2</sub>	4 <sup>3</sup> / <sub>4</sub>	4 <sup>3</sup> / <sub>4</sub>
270 - 365 Days	5 <sup>3</sup> / <sub>4</sub>	5 <sup>3</sup> / <sub>4</sub>	4 <sup>5</sup> / <sub>8</sub>	4 <sup>3</sup> / <sub>4</sub>	4 <sup>3</sup> / <sub>4</sub>

Prime Commercial Paper Rates (%)

24 hr. Demand	5 <sup>1</sup> / <sub>8</sub> - <sup>1</sup> / <sub>4</sub>	4 <sup>3</sup> / <sub>4</sub> - <sup>7</sup> / <sub>8</sub>	4 <sup>1</sup> / <sub>4</sub> - <sup>3</sup> / <sub>8</sub>	3 <sup>3</sup> / <sub>8</sub> - <sup>5</sup> / <sub>8</sub>	4 <sup>3</sup> / <sub>8</sub> - <sup>5</sup> / <sub>8</sub>
30 day Demand	5 <sup>1</sup> / <sub>4</sub> - <sup>1</sup> / <sub>2</sub>	4 <sup>7</sup> / <sub>8</sub> -5 <sup>1</sup> / <sub>4</sub>	4 <sup>3</sup> / <sub>8</sub> -5 <sup>1</sup> / <sub>8</sub>	4 <sup>1</sup> / <sub>2</sub> - <sup>3</sup> / <sub>4</sub>	4 <sup>1</sup> / <sub>2</sub> - <sup>3</sup> / <sub>4</sub>



SELECTED GOVERNMENT OF CANADA BONDS, PRICES AND YIELDS

(As at Mid-Market Close)

			December 29, 1961		September 28, 1962		October 31, 1962		Change Sept. 28, 1962 to Oct. 31, 1962		Change End of 1961 to Oct. 31, 1962	
			Price	Yield	Price	Yield	Price	Yield	Price	Yield	Price	Yield
			\$	%	\$	%	\$	%	\$	%	\$	%
4%	15	December	1963		100.625	3.62	98.675	5.07	99.775	4.15	+1.10	-0.85
3 <sup>3</sup> / <sub>4</sub> %	1	September	1965		98.875	3.97	96.15	5.14	98.425	4.32	+2.275	-0.45
2 <sup>3</sup> / <sub>4</sub> %	15	June	1967/68		92.125	4.08	88.625	4.96	91.25	4.41	+2.625	-0.875
4 <sup>1</sup> / <sub>4</sub> %	1	September	1972		96.125	4.67	91.625	5.31	94.75	4.86	+3.125	-1.375
3 <sup>1</sup> / <sub>4</sub> %	1	June	1974/76		83.125	4.85	79.625	5.33	82.25	5.02	+2.625	-0.875
3 <sup>3</sup> / <sub>4</sub> %	15	January	1975/78		86.75	4.90	83.00	5.34	85.75	5.05	+2.75	-1.00
3 <sup>1</sup> / <sub>4</sub> %	1	October	1979		80.75	4.84	76.75	5.29	80.00	4.97	+3.25	-0.75
4 <sup>1</sup> / <sub>2</sub> %	1	September	1983		93.625	4.95	88.625	5.38	92.75	5.03	+4.125	-0.875





SELECTED ONTARIO AND H.E.P.C. BONDS, PRICES AND YIELDS

(As at Mid -Market Close)

			December 29, 1961		September 28, 1962		October 31, 1962		Change Sept. 28, 1962 to Oct. 31, 1962		Change End of 1961 to Oct. 31, 1962	
			Price		Price		Price		Price		Price	
			\$	%	\$	%	\$	%	\$	%	\$	%
Ontario	3%	1	96.00	3.98	93.50	5.06	95.50	4.44	+2.00	-0.50	-0.50	+0.46
	5%	15	101.375	3.85	99.125	5.29	100.00	4.30	+0.875	-0.99	-1.375	+0.45
	3%	15	89.00	4.43	84.50	5.26	87.00	4.88	+2.50	-0.38	-2.00	+0.45
	6%	15	105.75	5.04	102.00	5.56	103.00	5.37	+1.00	-0.19	-2.75	+0.33
	5½%	15	101.75	5.30	99.125	5.55	101.25	5.33	+2.125	-0.22	-0.50	+0.03
	5½%	1	101.75	5.31	99.00	5.54	101.25	5.33	+2.25	-0.21	-0.50	+0.02
H.E.P.C.	3%	1	99.25	3.40	98.75	5.25	99.50	3.68	+0.75	-1.57	+0.25	+0.28
	4%	1	97.75	4.46	95.25	5.37	96.50	5.00	+1.25	-0.37	-1.25	+0.54
	5-3/4%	1	104.50	4.94	101.00	5.48	102.25	5.25	+1.25	-0.23	-2.25	+0.31
	4½%	1	93.25	5.06	89.00	5.53	91.50	5.26	+2.50	-0.27	-1.75	+0.20
	5-3/4%	1	104.00	5.35	101.25	5.43	103.875	5.35	+2.625	-0.08	-0.125	--
	6%	15	106.25	5.37	103.50	5.60	105.50	5.42	+2.00	-0.18	-0.75	+0.05



WEEKLY YIELDS FROM JUNE 6, 1962 TO NOVEMBER 1, 1962 IN RESPECT OF SELECTED GOVERNMENT OF CANADA,  
PROVINCE OF ONTARIO AND H.E.P.C. BONDS ISSUED SINCE MARCH, 1961

	Canada	Ontario	Ontario	H.E.P.C.	H.E.P.C.	Ontario	Ontario	H.E.P.C.	H.E.P.C.
	4% May 1, 1964 %	5¼% April 15, 1968 %	5½% April 15, 1979/81 %	3 4 / 4% Nov. 15, 1971 %	5¼% Nov. 15, 1980/83 %	3 4 / 4% Mar. 15, 1967 %	5¼% Mar. 15, 1979/82 %	4½% June 15, 1970 %	5% June 15, 1979/82 %
1962									
June	6 3.95* 4.39 4.96 5.30	4.90* 5.10* 5.25 5.60	5.34* 5.40* 5.50 5.50	4.92 4.92 5.30 5.60	5.29 5.36 5.41 5.49	4.75 4.81 5.02 5.23	5.27 5.35 5.39 5.45	4.79 4.94 5.25 5.52	5.29 5.38 5.41 5.49
July	4 5.60 5.63 5.63 5.64	5.60 5.65 5.65 5.65	5.63 5.63 5.65 5.67	5.60 5.60 5.65 5.65	5.55 5.63 5.66 5.66	5.48 5.49 5.68 5.68	5.54 5.65 5.66 5.66	5.52 5.61 5.61 5.61	5.52 5.63 5.60 5.63
August	1 5.67 5.67 5.61 5.51 5.35	5.65 5.65 5.60 5.60 5.60	5.67 5.67 5.67 5.63 5.63	5.59 5.59 5.59 5.59 5.54	5.66 5.66 5.66 5.62 5.62	5.68 5.62 5.62 5.56 5.50	5.67 5.63 5.63 5.61 5.59	5.61 5.61 5.61 5.54 5.54	5.63 5.64 5.59 5.59 5.50
Sept.	6 5.39 5.32 5.36 5.20	5.45 5.45 5.45 5.45	5.61 5.55 5.55 5.55	5.52 5.48 5.48 5.48	5.60 5.53 5.53 5.53	5.53 5.45 5.45 5.45	5.57 5.54 5.54 5.54	5.54 5.49 5.49 5.49	5.50 5.51 5.53 5.53
Oct.	4 4.90 4.59 4.14 4.34 4.11	5.43 5.43 5.25 5.25 5.20*	5.52 5.48* 5.35* 5.35* 5.30*	5.38 5.38 5.20 5.20 5.10	5.51 5.50 5.37 5.37 5.25	5.32 5.20 4.88 5.14 5.07	5.50 5.44 5.25 5.35 5.29	5.38 5.30 5.14 5.22 5.22	5.47 5.37 5.20 5.37 5.29
Nov.	1								
Issue Amount	\$100M	\$24M	\$26M	\$7.2M	\$42.8M	\$20.0M	\$40.0M	\$13.5M	\$36.5M
Yield	4.34%	5.25%	5.50%	4.88%	5.32%	4.75%	5.35%	4.69%	5.10%
Date	Mar. '61	Apr. '61	Apr. '61	Nov. '61	Nov. '61	Mar. '62	Mar. '62	June '62	June '62

\* Premium over coupon rate.





MID-MONTH YIELDS OF SELECTED GOVERNMENT OF CANADA, PROVINCE OF ONTARIO AND H.E.P.C. LOW COUPON ISSUES FROM JANUARY 1961 TO OCTOBER 1962

	H.E.P.C.	Ontario	H.E.P.C.	Canada	Ontario	H.E.P.C.	Canada	Ontario	H.E.P.C.
	3% Mar. 1, 1961/63 %	3% Nov. 1, 1963/65 %	4% Jan. 15, 1964/67 %	3 2 3/4% June 15, 1967/68 %	3 2 1/4% Nov. 15, 1965/69 %	3% June 15, 1971/73 %	3 1/4% June 1, 1974/76 %	3% Oct. 15, 1975/77 %	3 1/2% Oct. 15, 1974/79 %
1961									
January	4.62	4.88	5.12	4.59	4.82	5.20	5.23	5.05	5.24
February	4.31	4.66	4.98	4.53	4.82	5.06	5.07	4.90	5.18
March	4.05	4.56	4.89	4.58	4.74	4.79	5.05	4.81	5.09
April	4.24	4.70	4.95	4.58	4.74	4.87	5.11	4.94	5.19
May	4.24	4.70	4.97	4.61	4.74	4.93	5.12	5.00	5.20
June	4.10	4.58	4.82	4.60	4.64	4.92	4.94	4.83	5.11
July	3.80	4.27	4.79	4.33	4.41	4.70	4.82	4.66	4.97
August	3.80	4.27	4.80	4.33	4.41	4.70	4.95	4.84	5.02
September	3.80	4.27	4.81	4.33	4.53	4.75	4.90	4.82	5.00
October	3.55	4.23	4.76	4.25	4.53	4.80	4.93	4.82	5.05
November	3.19	3.95	4.54	4.03	4.38	4.68	4.71	4.71	4.92
December	3.40	3.98	4.54	4.12	4.32	4.60	4.87	4.70	4.88
1962									
January	3.40	3.92	4.54	4.09	4.32	4.58	4.88	4.77	4.94
February	3.69	4.01	4.54	4.04	4.32	4.68	4.86	4.81	4.99
March	3.47	3.50	4.46	4.01	4.30	4.60	4.79	4.97	4.89
April	3.48	3.75	4.38	4.01	4.17	4.42	4.66	4.59	4.82
May	3.55	3.75	4.38	3.92	4.17	4.45	4.67	4.59	4.82
June	4.40	4.51	4.74	4.33	4.70	4.82	4.95	4.92	5.07
July	5.50	5.50	5.59	5.00	5.30	5.40	5.42	5.20	5.38
August	5.53	5.40	5.55	4.86	5.20	5.39	5.31	5.15	5.49
September	5.25	5.06	5.76	4.96	5.14	5.25	5.33	5.11	5.34
October	4.30	4.95	5.26	4.68	4.98	5.20	5.06	4.97	5.18



COMPARISON OF SPREAD BETWEEN LONG-TERM GOVERNMENT OF CANADA YIELDS AND YIELDS ON COMPARABLE PROVINCIAL, MUNICIPAL, PUBLIC UTILITY AND INDUSTRIAL BOND ISSUES, ANNUALLY FROM 1948 TO 1961 AND MONTHLY FOR 1962

Annual Average	Long(1) Term Canada %	10 Municipal			10 Provincial			10 Utility			10 Industrial			40 Bond		
		Bonds	Spread	%	Bonds	Spread	%	Bonds	Spread	%	Bonds	Spread	%	Average	Spread	%
1948	2.91	3.69	0.78		3.36	0.45		3.72	0.81		3.79	0.88		3.64	0.73	
1949	2.86	3.57	0.71		3.16	0.30		3.39	0.53		3.57	0.71		3.42	0.56	
1950	2.77	3.46	0.69		3.12	0.35		3.33	0.56		3.50	0.73		3.35	0.58	
1951	3.17	4.07	0.90		3.65	0.48		3.82	0.65		3.89	0.72		3.86	0.68	
1952	3.54	4.65	1.11		4.14	0.60		4.23	0.69		4.29	0.75		4.33	0.79	
1953	3.68	4.66	0.98		4.15	0.47		4.36	0.68		4.49	0.81		4.42	0.74	
1954	3.13	3.98	0.85		3.55	0.42		3.94	0.81		4.14	1.01		3.90	0.77	
1955	2.99	3.71	0.72		3.38	0.39		3.73	0.74		3.98	0.99		3.71	0.72	
1956	3.58	4.57	0.99		4.16	0.58		4.28	0.70		4.53	0.95		4.39	0.81	
1957	4.12	5.52	1.40		5.02	0.90		5.21	1.09		5.38	1.26		5.28	1.16	
1958	4.02	5.13	1.11		4.70	0.68		4.90	0.88		4.98	0.96		4.93	0.91	
1959	5.05	5.89	0.84		5.55	0.50		5.51	0.46		5.54	0.49		5.62	0.57	
1960	5.23	6.00	0.77		5.65	0.42		5.68	0.45		5.71	0.47		5.76	0.53	
1961	4.93	5.71	0.78		5.49	0.56		5.41	0.48		5.48	0.55		5.52	0.59	
Monthly Average																
1962																
January	31	5.65	0.88		5.43	0.66		5.25	0.48		5.31	0.54		5.41	0.64	
February	28	5.54	0.81		5.31	0.58		5.23	0.50		5.28	0.55		5.34	0.61	
March	30	5.44	0.77		5.20	0.53		5.18	0.51		5.18	0.51		5.25	0.58	
April	30	5.38	0.78		5.19	0.59		5.17	0.57		5.15	0.55		5.22	0.62	
May	31	5.65	0.81		5.43	0.59		5.27	0.43		5.39	0.55		5.44	0.60	
June	29	5.98	0.55		5.67	0.24		5.70	0.27		5.71	0.28		5.77	0.34	
July	31	6.17	0.77		5.87	0.77		5.74	0.33		5.77	0.37		5.89	0.49	
August	31	5.90	0.51		5.86	0.47		5.62	0.23		5.67	0.28		5.76	0.37	
September	28	5.87	0.50		5.69	0.32		5.61	0.24		5.66	0.29		5.71	0.34	
October	31	5.63	0.72		5.48	0.57		5.46	0.55		5.45	0.54		5.51	0.60	

Source: McLeod, Young, Weir and Company Limited 40 Bond Yield Average .

(1) The yield for long-term Canada is based on a single bond, whereas 10 are used in the other fields.





REDISCOUNT RATES IN CANADA, THE UNITED STATES, AND THE UNITED KINGDOM,  
SELECTED YEARS 1937 TO 1961, MONTHLY TO AUGUST AND  
WEEKLY TO DATE FOR 1962

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<u>End of Period</u>		<u>Canada</u>	<u>United States</u>	<u>United Kingdom</u>
		%	%	%
1937		2.50	1.00	2.00
1948		1.50	1.50	2.00
1950		2.00	1.75	2.00
1951		2.00	1.75	2.50
1952		2.00	2.00	4.00
1953		2.00	1.50	3.50
1954		2.00	2.50	3.00
1955		2.75	2.50	4.50
1956		3.92	3.00	5.50
1957		3.87	3.00	7.00
1958		3.74	2.50	4.00
1959		5.37	4.00	4.00
1960		3.50	3.00	5.00
1961		3.24	3.00	6.00
1962	- January	3.35	3.00	6.00
	- February	3.42	3.00	6.00
	- March	3.37	3.00	5.00
	- April	3.32	3.00	4.50
	- May	3.77	3.00	4.50
	- June	5.70	3.00	4.50
	- July	5.72	3.00	4.50
	- August	5.20	3.00	4.50
	- September	6	5.32	4.50
		13	5.23	4.50
		20	5.31	4.50
		27	5.24	4.50
	- October	4	5.19	4.50
		11	4.97	4.50
		18	4.47	4.50
		25	4.52	4.50
	November	1	4.41	4.50



Selected New Municipal Bond Issues  
October 1962

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- \$30,000,000 (Approx.) Metropolitan Corporation of Montreal  
5% 1-25 year serial debentures. These bonds, being offered in the U.S., are priced to yield 5.07%; the issue is guaranteed by the Province.
- \$5,000,000 British Columbia School Districts  $5\frac{1}{4}\%$  1-20 year serial debenture issue. The 1-10 year bonds are offered at par to yield 5.25% and the 11-20 year bonds, at prices to yield 5.45%. This issue is guaranteed by the Province.
- \$4,898,000 City of Ottawa  $5\frac{1}{4}\%$  1-15 year debentures to mature July 2, 1963-77. The 1-10 year bonds were issued at prices to yield 5.375%, and the 11-15 year serials, 5.45%.
- \$3,500,000 Greater Vancouver Sewage and Drainage District  
 $5\frac{1}{2}\%$  25-year sinking fund debentures, due Nov. 1, 1987. Offering price is \$98.33 plus accrued interest to yield 5.625%.
- \$3,000,000 (U.S.) Protestant School Board of Greater Montreal  
1-10 year Serial Debentures. The issue was privately placed in the U.S. at a reported yield of 5.35%.
- \$1,493,000 City of Kitchener  $5\frac{1}{2}\%$  1-15 year serial debentures. The 1-10 year serials are offered at prices to yield 5.50%, and the 11-15 year, 5.55%.





Selected New Corporation. Bond Issues  
October 1962

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- \$145,000,000 (Canadian funds) Trans-Canada Pipe Lines Limited  
bond issue:  
\$100 million (approx.) of the  $5\frac{3}{4}\%$  bonds are being placed in the U.S. at prices to yield 5.70%.  
\$45 million (approx.) of the  $6\frac{1}{4}\%$  bonds are being privately placed in Canada, priced to yield 6.20%.
- \$30,000,000 British American Oil Co.  $5\frac{1}{4}\%$  and  $5\frac{3}{4}\%$  20-year debentures comprised as follows:  
\$20 million (U.S.)  $5\frac{1}{4}\%$  20-year debentures, privately placed in the U.S. at a reported yield of 5.21% ;  
\$10 million (Can.)  $5\frac{3}{4}\%$  20-year debentures privately placed in Canada, priced to yield 5.85% .
- \$20,000,000 Royal Trust Company Mortgage Corporation 5% 6-year Series D debentures due Oct. 1, 1968, and 10-year debentures due Oct. 1, 1972. Prices on application.
- \$7,000,000 Levy-Russell Ltd.  $6\frac{1}{2}\%$  20-year sinking fund debentures offered at par to yield 6.50% .
- \$5,000,000 (U.S.) Atlantic Acceptance Corporation :  
\$2.5 million 6% series L debentures due Oct. 1, 1974, priced at par ;  
\$2.5 million 6% series M debentures, due Oct. 1, 1979, priced at par. This issue was privately placed in U.S.
- \$2,750,000 Alliance Credit Corporation :  
\$2 million  $6\frac{3}{4}\%$  secured notes Series A, maturing Nov. 1, 1977, priced at par ;  
\$750,000 7% series A debentures, with share purchase warrants, due November 1, 1974, also priced at par.
- \$1,500,000 Coronation Credit Corporation  $6\frac{1}{4}\%$  20-year sinking fund Series C, debentures. Each unit consists of a \$1,000 bond and 30 share purchase warrants; the units are offered at par.



Trends in Industrial Stock Indexes - 1948-1962

	Canada			New York					
	Toronto Stock Exchange(1)			Dow-Jones(2)			Standard and Poor's(3)		
	High	Low	Spread	High	Low	Spread	High	Low	Spread
1948	191.44	<u>149.13</u>	42.31	193.16	165.39	27.77	16.93	13.58	3.35
1949	207.36	157.28	50.08	200.52	<u>161.60</u>	38.92	16.52	<u>13.23</u>	3.29
1950	291.31	203.27	88.04	235.47	196.81	38.66	20.60	16.34	4.26
1951	360.88	290.69	70.19	276.37	238.99	37.38	24.33	20.85	3.48
1952	343.50	309.34	34.16	292.00	256.35	35.65	26.92	23.30	3.62
1953	326.81	296.79	30.02	293.79	255.49	38.30	26.99	22.70	4.29
1954	384.18	311.85	72.33	404.39	279.87	124.52	37.24	24.84	12.40
1955	455.90	374.18	81.72	488.40	388.20	100.20	49.54	35.66	13.88
1956	506.33	430.46	75.87	521.05	462.35	58.70	53.28	45.71	7.57
1957	490.42	380.06	104.36	520.77	419.79	100.98	53.58	41.52	12.06
1958	515.02	398.63	116.39	583.65	436.89	146.76	58.97	43.20	15.77
1959	<u>555.65</u>	489.77	65.88	683.90	571.73	112.17	<u>65.81</u>	56.75	9.06
1960	532.84	472.30	60.54	<u>685.47</u>	566.05	119.42	65.02	55.34	9.68
1961	(Based on Closing Quotations)								
Jan.	542.08	524.13	17.95	650.54	610.25	40.39	65.61	60.87	4.74
Feb.	550.75	539.19	11.56	662.08	637.04	25.04	67.79	64.54	3.25
March	560.00	548.25	11.75	679.38	661.08	18.30	68.78	67.06	1.72
April	576.00	558.69	17.31	696.72	672.66	24.06	70.62	68.10	2.52
May	588.06	578.13	9.93	705.96	685.49	19.47	71.25	68.90	2.35
June	593.88	576.44	17.44	703.79	681.16	22.63	71.05	68.22	2.83
July	595.69	580.25	15.44	705.37	679.30	26.07	70.65	68.00	2.65
Aug.	601.75	594.69	7.06	725.75	710.46	15.30	72.38	70.89	1.49
Sept.	610.35	594.33	16.02	726.53	691.86	34.67	72.27	69.17	3.10
Oct.	600.77	595.05	5.71	708.49	697.24	11.25	72.08	70.15	1.93
Nov.	611.98	600.96	11.02	734.34	703.84	30.50	75.60	72.20	3.40
Dec.	620.48	609.42	11.06	<u>734.91</u>	720.87	14.04	<u>76.69</u>	75.02	1.67
1962	(Based on Closing Quotations)								
Jan.	622.90	599.79	23.11	726.01	689.92	36.09	75.22	71.68	3.54
Feb.	623.29	608.79	14.50	717.55	702.54	15.01	74.67	73.21	1.46
Mar.	<u>628.60</u>	617.56	11.04	723.54	706.63	16.91	75.10	73.36	1.74
Apr.	<u>623.93</u>	607.73	16.20	705.42	665.33	40.09	73.16	68.58	4.58
May	617.73	557.96	59.77	675.49	576.93	98.56	70.13	60.02	10.11
June	566.13	<u>510.23</u>	55.90	611.05	<u>535.76</u>	75.29	62.37	<u>54.80</u>	7.57
July	540.52	<u>522.35</u>	18.17	597.93	<u>571.24</u>	26.69	61.03	<u>58.48</u>	2.55
Aug.	561.96	539.21	22.75	616.00	588.35	27.65	62.67	60.02	2.65
Sept.	554.17	529.08	25.09	607.63	574.12	33.51	61.90	58.22	3.68
Oct.	536.13	518.52	17.61	589.77	558.06	31.71	59.80	55.70	4.10

(1) T.S.E. Index - 20 Industrials

(2) Dow-Jones - 30 Industrials.

(3) Standard and Poor's Index - 425 Industrials.  
(1941-43=10).





COMPARISON OF SELECTED EXCHANGE RATES  
JULY 5 TO NOV. 1, 1961 AND 1962

		U.S. Dollar in Canada (Noon)		Canadian Dollar in New York (Close)		Pound Sterling in Canada (Close)		Pound Sterling in New York (Close)	
		1961	1962	1961	1962	1961	1962	1961	1962
July	5	1.03 <sup>7</sup> /8	1.07 <sup>31</sup> /32	.96 <sup>17</sup> /64	.92 <sup>21</sup> /32	2.89 <sup>9</sup> /16	3.03 <sup>1</sup> /16	2.78 <sup>3</sup> /4	2.80 <sup>25</sup> /32
	12	1.03 <sup>9</sup> /16	1.07 <sup>7</sup> /8	.96 <sup>23</sup> /32	.92 <sup>11</sup> /16	2.88 <sup>1</sup> /8	3.02 <sup>3</sup> /4	2.78 <sup>17</sup> /32	2.80 <sup>45</sup> /64
	19	1.03 <sup>3</sup> /32	1.07 <sup>27</sup> /32	.96 <sup>57</sup> /64	.92 <sup>23</sup> /32	2.87 <sup>5</sup> /8	3.02 <sup>7</sup> /8	2.78 <sup>57</sup> /64	2.80 <sup>7</sup> /8
	26	1.03 <sup>3</sup> /16	1.07 <sup>27</sup> /32	.96 <sup>61</sup> /64	.92 <sup>3</sup> /4	2.88	3.02 <sup>1</sup> /2	2.79 <sup>13</sup> /64	2.80 <sup>35</sup> /64
Aug.	2	1.03 <sup>3</sup> /32	1.07 <sup>13</sup> /16	.97	.92 <sup>3</sup> /4	2.88 <sup>9</sup> /16	3.02 <sup>1</sup> /2	2.80 <sup>1</sup> /16	2.80 <sup>19</sup> /32
	9	1.03 <sup>13</sup> /32	1.07 <sup>25</sup> /32	.96 <sup>13</sup> /16	.92 <sup>49</sup> /64	2.90	3.02 <sup>1</sup> /2	2.80 <sup>35</sup> /64	2.80 <sup>31</sup> /64
	16	1.03 <sup>1</sup> /8	1.07 <sup>25</sup> /32	.96 <sup>31</sup> /32	.92 <sup>51</sup> /64	2.89 <sup>1</sup> /8	3.02 <sup>3</sup> /8	2.80 <sup>5</sup> /8	2.80 <sup>33</sup> /64
	23	1.03 <sup>1</sup> /16	1.07 <sup>23</sup> /32	.97 <sup>1</sup> /32	.92 <sup>53</sup> /64	2.89 <sup>1</sup> /8	3.02 <sup>3</sup> /16	2.80 <sup>27</sup> /64	2.80 <sup>23</sup> /64
Sept.	30	1.03 <sup>1</sup> /16	1.07 <sup>23</sup> /32	.97 <sup>1</sup> /32	.92 <sup>53</sup> /64	2.89 <sup>5</sup> /16	3.01 <sup>15</sup> /16	2.80 <sup>43</sup> /64	2.80 <sup>7</sup> /32
	6	1.03 <sup>3</sup> /32	1.07 <sup>11</sup> /16	.97 <sup>1</sup> /64	.92 <sup>55</sup> /64	2.89 <sup>7</sup> /8	3.01 <sup>13</sup> /16	2.81 <sup>17</sup> /64	2.80 <sup>13</sup> /64
	13	1.03 <sup>1</sup> /8	1.07 <sup>11</sup> /64	.96 <sup>63</sup> /64	.92 <sup>55</sup> /64	2.90	3.01 <sup>13</sup> /16	2.81 <sup>1</sup> /4	2.80 <sup>9</sup> /64
	20	1.03 <sup>1</sup> /16	1.07 <sup>21</sup> /32	.97	.92 <sup>7</sup> /8	2.89 <sup>7</sup> /8	3.01 <sup>5</sup> /8	2.81 <sup>21</sup> /64	2.80 <sup>3</sup> /64
Oct.	27	1.03 <sup>1</sup> /32	1.07 <sup>11</sup> /16	.97 <sup>1</sup> /64	.92 <sup>27</sup> /32	2.89 <sup>7</sup> /8	3.01 <sup>13</sup> /16	2.81 <sup>23</sup> /64	2.80 <sup>11</sup> /64
	4	1.03	1.07 <sup>5</sup> /8	.97 <sup>5</sup> /64	.92 <sup>15</sup> /16	2.90	3.01 <sup>5</sup> /8	2.81 <sup>1</sup> /2	2.80 <sup>7</sup> /64
	11	1.03	1.07 <sup>5</sup> /8	.97 <sup>5</sup> /64	.92 <sup>15</sup> /16	2.90 <sup>1</sup> /8	3.01 <sup>5</sup> /8	2.81 <sup>33</sup> /64	2.80 <sup>1</sup> /4
	18	1.03	1.07 <sup>19</sup> /32	.97 <sup>5</sup> /64	.92 <sup>15</sup> /16	2.90 <sup>1</sup> /4	3.01 <sup>11</sup> /16	2.81 <sup>43</sup> /64	2.80 <sup>19</sup> /24
Nov.	25	1.03 <sup>11</sup> /32	1.07 <sup>19</sup> /32	.97 <sup>5</sup> /64	.92 <sup>15</sup> /16	2.90 <sup>1</sup> /4	3.01 <sup>11</sup> /16	2.81 <sup>37</sup> /64	2.80 <sup>2</sup> /64
	1	1.03 <sup>11</sup> /32	1.07 <sup>19</sup> /16	.96 <sup>54</sup> /64	.92 <sup>31</sup> /32	2.90 <sup>3</sup> /4	3.01 <sup>7</sup> /16	2.81 <sup>11</sup> /32	2.80 <sup>1</sup> /8









